

# AUDIT FOLK FIND BANK FUNDS ARE SHORT \$13,400

Commonwealth Discrepancy to Form Subject of Special Report.

## RECEIVERS FILE COURT STATEMENT

Impossible to Estimate Amount That Will Be Realized From Assets, Which Must Be Handled Carefully to Avoid Sacrifice and Loss. Gives Much Detail.

Report No. 2 on the condition of the defunct Commonwealth Bank, filed yesterday in the Chancery Court by the receivers, John B. Lightfoot and James W. Gordon, serves notice that a careful auditing of the accounts reveals a discrepancy amounting to \$13,400.59 between the individual ledger balance and general ledger control. The shortage was brought to light by the American Auditing Company, which has been engaged for several months in checking up the bank's transactions. The discrepancy is noted in the audit company's statement of the bank's assets and liabilities at the close of business on August 29, 1912—the day the institution was ordered closed by the Chancery Court. It is again referred to in the summary that precedes the audit company's exhaustive 176-page report.

A fuller statement from the receivers with regard to the responsibility for the shortage could not be secured. The matter is temporarily dismissed in the receivers' report to the court, and a statement that a supplementary report will be filed dealing with the discrepancy.

**Assets Complicated.**  
On the question that is uppermost in the mind of the many who are anxiously awaiting a tip on the probability of their getting their money back, the receivers' report throws little light. The difficulty of answering this question at this time is indicated in the following excerpt from the brief report that accompanies the exhaustive statement of the audit company:

An inspection of the report of the American Audit Company will disclose the complicated nature of the administration in which your receivers are engaged. They have been attempting ever since their appointment to ascertain the relationship between the bank and the various debtors shown on the schedule of assets attached to the report, and to collect and secure the assets for the protection of the creditors of the bank.

Many of the assets shown on the report are of such a character that it will require careful handling over a considerable period of time to avoid the sacrifice of the same. Owing to various contingencies, it is almost impossible for your receivers to tell at this time what amount they will probably be able to realize out of the assets as shown by the report, but they will from time to time make reports to the court in regard to specific items or assets as investigations progress.

**Present Detailed Statement.**  
The latest report of the receivers derives interest chiefly from the fact that through the medium of the audit company's statement, which forms part of it, it presents for the first time since the failure a complete statement of the bank's resources and liabilities. The latest statement filed by the bank was on August 9.

The audit company lists in detail schedules of time loans, demand loans, past due notes, real estate loans, and other assets, and classifies them according to the bank's resources and liabilities. In every case named.

In the liabilities side the audit company's statement presents a complete list of the bank's stockholders and numerous schedules showing its obligations to individuals, corporations and other banks. The assets are summarized under the heads: cash, branches, savings and commercial, but a list of depositors and the amounts to individual credit does not appear.

**Total Assets \$502,850.00.**  
According to the American Audit Company's statement, the Commonwealth Bank had, at the close of business on August 29, 1912, assets aggregating \$502,850.00. The sum includes the \$124,400.59 shortage already noted. There were also certificates of deposit amounting to \$14,887.70; cashiers' checks outstanding \$4,245.12; and certified checks aggregating \$1,798.26.

The assets on the same day, according to the audit company, included as chief items: loans of various kinds aggregating \$872,441.75; overdrafts, \$2,927.43; stocks owned, \$174,880; and real estate owned, \$5,173.70. The vaults contained cash amounting to \$4,114.55, and guaranteed notes worth \$4,000.

**Monroe Approves Report.**  
Judge Monroe, of the Chancery Court, entered a decree accepting the report of the American Audit Company and the schedules of books, papers, furniture and fixtures, as an inventory by the receivers of the assets of the bank. The decree approves the action of the receivers in disposing of the minor business matters connected with the liquidation of the bank's assets.

The vault at the main office on Ninth Street, the receivers report, was found much congested with old papers and books. After making a list of such books as were not in active use, the receivers stored the collection in an equitable form, of the unexpired lease of the bank premises at 2914 Williamsburg Avenue, and sold the railing and standing desks that formed part of the equipment of the Commonwealth's Twenty-fifth and Broad Street branch.

The transactions are described in detail in the report to the Chancery Court, and were all approved by Judge Monroe in his decree. The American Audit Company, whose employment was authorized by the court's decree of September 2, the receivers report, has about completed its task, although there are

## "DRYS" APPEAL TO WILSON

Want Constitutional Amendment to Abolish Liquor Traffic.

Columbus, O., December 22.—President Wilson was memorialized to-day to ask Congress to submit a constitutional amendment looking to the abolition of the liquor traffic in the United States at large. The memorial, signed by a special committee of twenty-five named at the Anti-Saloon League demonstration on the steps of the Capitol in Washington on December 16, was an outgrowth of the national convention of the Anti-Saloon League of America and other temperance forces held in Columbus November 19 to 24.

President Wilson was unable to receive the special committee upon the occasion of the Washington demonstration, and the memorial was presented to the White House to-day by issue in lieu of a personal hearing.

The memorial quotes the section of the Democratic national platform of 1912 regarding the conservation of natural resources of the country, and continues:

"We believe that men, women and children should be included in the forests, resources of water supply, arable and mineral lands and navigable streams as objects of national protection to prevent their being absorbed by special or privileged interests, such as the extant, organized government-compartemented liquor trust of the United States."

The special committee included the following men: Wayne B. Wheeler, Ohio; John Sanderson, Kentucky; William C. Coker, Maryland; William Anderson, Maryland; James Cannon, Virginia; A. D. Ivey, North Carolina; J. W. Hough, Virginia; and J. K. Taylor, Maryland.

## SCHMIDT IS ABNORMAL

Dr. Smith Says Results of His Observations.

New York, December 22.—The procession of alienists began their march to the witness stand to-day at the trial of Hans Schmidt for murder. After Dr. Smith, of New York, had testified for the defense, court adjourned early to enable Schmidt's attorneys to construct a hypothetical question which will be put to Dr. Jelliffe and other medical experts to-morrow. Practically all Dr. Jelliffe's testimony indicated that Schmidt was abnormal. The witness said the priest, who said Schmidt "it was a medical fellow-crazy" refused to acknowledge his authority.

The defendant excused his forgeries of the signature of his professor at Munich by saying "I was in high spirits and good health, and I entered into the personality of the professor. So it was not wrong for me to do this name."

Dr. Jelliffe asked Schmidt if he ever played the violin in a bathtub, as one of the former witnesses had testified. "I did so," Schmidt said, "it was a business. What an inspired man does, heaven wished him to do."

During one of his visits to Schmidt's cell, said Dr. Jelliffe, another physician, who accompanied him, pricked his finger with a needle and showed the prisoner a drop of blood. Instantly Schmidt's face became livid. "All blood is mine," he shouted, making a lunge for the physician's hand and trying to raise it to his lips.

## MISS WILSON IS VERY BUSY

President's Daughter Brings Hope to

[Special to The Times-Dispatch.]

Washington, December 22.—The busiest person in Washington is Miss Margaret Wilson, daughter of the President. Miss Wilson, working with the Associated Charities, is investigating many of the cases herself, and during the last few days has brought hope and cheer to many a desolate home.

In her work as chairman of the District Spig Committee, Miss Wilson visits many store girls, talks with them, and explains to them in person why it is not necessary for them to give towards collective Christmas presents for their employers for their small salaries. She has interviewed a number of the owners of big department stores and interested them in the spig idea.

## HOVE TO IN MIDOCEAN

Canadian Pacific Steamer Montezuma

Strikes Gale at Sea.

Vancouver, B. C., December 22.—With huge seas sweeping over her and threatening to wreck her deck fittings and cabin, the Canadian Pacific steamer Montezuma, Captain Halley, had to be hoisted to mid-Pacific on her way to Hong Kong, according to word brought in by the Empress of Asia line yesterday.

While the Empress was reefing off 18-12 knots an hour a wireless message was received from the Montezuma saying that she was hoisted to mid-Pacific, and longitude 160 west, with a howling western gale raging and a terrific sea sweeping over her.

## SINGS FOR ALMA MATER

President Wilson Joins With Princeton Alumni in Chorus of "Old Nassau."

Washington, December 22.—President Wilson stood in a box in a local theatre to-day, and with uplifted hand joined in the chorus of "Old Nassau," the alma mater song at Princeton. It was at the conclusion of the performance of the Princeton University Triangle Club, when the entire audience rose and all alumni of the institution present united in the song.

The play, a musical comedy, written by the students, was at the Washington theatre in general. Mrs. Marshall, the wife of the Vice-President, and the women of the Cabinet and Supreme Court circle occupied boxes, as did members of the diplomatic corps. The Princeton University Justice Pitney, of the United States Supreme Court took part in the performance. The Princeton University President a locomotive cheer as he left the theatre. He was accompanied by his youngest daughter, Miss Eleanor Wilson.

## NO NEW CASES OF SMALLPOX

Outlook Favorable for Holding Disease

Under Control.

Charleston, S. C., December 22.—Two cases of smallpox aboard the battleship Ohio, anchored here for fumigation, developed on the way from Guantanamo. No new cases have broken out in the past twenty-four hours, and the outlook is favorable for holding the disease under control. All the men were vaccinated on December 16.

The Ohio may proceed to some other port to complete the fumigation, as facilities for handling the men ashore. There are 754 officers and men aboard.

## HUERTA DECREES

PUBLIC HOLIDAY

TILL END OF YEAR

Measure Promulgated

in Order to Check

Run on Banks.

ONE INSTITUTION

CLOSES ITS DOORS

Financial Houses Absolved From

Meeting Any Obligations Till

January 2—Business Condi-

tions Worse Than Ever

Before in History of

Mexican Republic.

Mexico City, December 22.—By presidential decree this afternoon every day, including to-day, until the end of the present year was made a legal holiday in order to check the run on banks here. The measure was promulgated particularly for the benefit of the Bank of London and Mexico, which earlier in the day had closed its doors.

As soon as the decree was issued the Bank of London and Mexico reopened, but refrained from paying deposits.

Provisional President Huerta says in the decree he deems such action necessary to protect the banks until public confidence is more nearly restored. By the decree the banks are absolved from meeting any obligation until January 2. It applies to all banking houses, whether a bank of issue or not.

With the exception of the Bank of London and Mexico and the Central Bank, none has yet taken advantage of the decree, and business at the other institutions is being conducted as usual. Crowds gathered about the doors of these two banks, but there was no disorder. Both banks are being strongly guarded.

**Bank Believed Solvent.**

Bankers here generally agree in the opinion that the Bank of London and Mexico is solvent. The measure is believed to have excellent collateral. Its suspension to-day was not due to lack of assets, but to the scarcity of currency. Silver and gold have both long been scarce in the country, and recently State bank bills have been refused except in the States where they were issued.

The London and Mexico Bank has been embarrassed more than have other concerns, because it has for a long time been accepting deposits, while the others have been refusing them. It is generally admitted that business and financial conditions are now worse than they have ever been in the history of the republic. Nothing but coup can save the situation, and with Zapata hammering at the gates of the capital, the situation is most critical.

**Reports of Rebel Successes.**

Reports of rebel successes continue to pour in, but are not published by the newspapers, in view of the warning from Huerta. Among the reports received to-day was that of an important gains by the Carranzistas at Torreon and another of further successes at Tampico.

The battleships Kansas and Connecticut have been sighted at Tampico and are expected to arrive early to-morrow morning. These vessels will relieve the New Hampshire and Louisiana, which were ordered to leave to-morrow, the New Hampshire going to New York and the Louisiana to Norfolk for a general overhauling.

The directors of the Bank of London and Mexico to-night began a scrutiny of the affairs of that institution, and if their finding is indorsed by other bankers it is not improbable that the situation will be improved. It is reasonably certain, however, that the bank will not survive the decree of President Huerta, issued to-day, making the last ten days of the present year legal holidays.

**Assumes Waiting Attitude.**

General Villa, at Chihuahua, began to turn his attention toward developments southward. The nearest Federals in that direction are at Torreon, about 200 miles south. As soon as he is sufficiently advised of conditions, General Villa intends to send a large force toward Torreon. Skirmishes between Federals and rebels at Gomez Palacio and Perla, near Torreon, have taken place, but they were insignificant.

**Forces Refugees to Pay.**

Exaction of money from persons who leave Chihuahua still continues, according to refugees. They said General Villa required the money as a tribute to the revolutionary cause, and the money had to be paid or the refugees were not allowed to leave.

Mrs. Pedro Prieto, wife of a merchant, said she had to pay \$12,500 in gold, and Luis Sequeras and Pedro Torres, merchants, said they gave \$5,000 each.

The home and property of Jacob E. Touche, a native of Turkey, valued at \$500,000, was confiscated by Villa, and Touche paid \$10,000 cash for the release of a sister.

**Chiefly Commercial Business.**

New York, December 22.—According to New York bankers, the business of the Bank of London and Mexico is chiefly of a commercial character. It does not represent the Mexican government in the matter of loans to any great extent. It is rated as the second largest institution of the republic, however, having, according to latest available reports here, about \$20,000,000 in deposits. Its capital, according to these reports, was about \$22,000,000, and its surplus and profit account \$16,000,000.

## HAY T. THORNTON

NAMED BY WILSON

AS POSTMASTER

President Sends to Sen-

ate Nomination of

Richmond Man.

IN POSTAL SERVICE

FOR TWENTY YEARS

New Head of Office Is Widely

Known, and Had Indorsement

of Congressman Montague,

and More Than Three

Thousand Business

Men of City.

The name of Hay T. Thornton, to be

postmaster at Richmond, was sent to the Senate late last night by President Wilson. The term of Edgar Allan, Jr.

the present postmaster, expired on December 16, and it is supposed that he will be succeeded by Mr. Thornton upon the confirmation of the nomination.

In Washington the belief was expressed last night that the list of nominations, in which Mr. Thornton's name is included, will be considered by the Senate before the Christmas recess.

For several months the nomination of Mr. Thornton has been mooted, although there was some delay in forwarding his name to the Senate. He received the indorsement of 3,000 business men of Richmond, and was supported by Congressman Montague. His name was sent to the President yesterday morning by Postmaster-General Burleson.

**Successor Edgar Allan, Jr.**

The incumbent, Edgar Allan, Jr., was appointed on December 16, 1909, by President Taft, to serve a term of four years. Although he took office on that date, his nomination was not confirmed by the Senate until the middle of the following month. Whether the department will consider his term to have expired on December 16, or to date from the time of confirmation, remains to be seen. Mr. Allan is prepared to lay down the reins of office upon instant notice.

Mr. Thornton is a native of Norfolk, and is a son of the late D. P. McThornton. His father was for years a purser in the United States Navy. His mother was Miss Dade, daughter of the late General Lawrence T. Dade, of Orange County, Va., who for many years prior to the War Between the States was one of the leading figures in the politics of Virginia.

Mr. Thornton has spent all of his life in Richmond, with the exception of a year or two in Florida and Chicago. He has an extensive acquaintance. For many years he was treasurer of Dove Lodge, No. 51, A. F. & A. M., and he is one of the few men in Richmond who have been honored with the thirty-third degree of Masonry. Mr. Thornton married a daughter of the late Colonel John Bell Bigler, for many years clerk of the House of Delegates.

**In Service Twenty Years.**

Nearly twenty years ago, when substitution post-offices were established in Richmond, Mr. Thornton was placed in charge of Station 1, and since that time he has remained in charge of the office. Each succeeding administration has refused to disturb him, and he has been a lifelong Democrat. Attention to the business in which he has engaged has not prevented him from conducting the business of his office. He has been a lifelong Democrat. Attention to the business in which he has engaged has not prevented him from conducting the business of his office.

After Mr. Thornton was named by the President, he was widely known, and had indorsement of Congressman Montague, and more than three thousand business men of the city.

**PLEADS GUILTY TO FORGERY**

Bank Clerk Who Got \$20,000 Not Yet

Sentenced.

[Special to The Times-Dispatch.]

Philadelphia, December 22.—James E. Foye, who formerly was a \$75 a month clerk employed by the Farmers Loan and Trust Company of New York, pleaded guilty before Judge Patterson to-day on four bills of indictment, as if prepared to leave, obtaining \$20,000 under false pretenses from the brokerage firm of C. D. and J. C. Company, of the New York Stock Exchange Building.

Last month Foye obtained loans, totaling \$20,000, less commissions, from local banking concerns. All the money has been repaid except \$2,700.

Judge Patterson postponed sentence on Foye until next Tuesday, on a motion of Assistant District Attorney Rogers, in order that the prosecution may have further time to prepare the evidence against the defendant.

Foye while with the Farmers Loan and Trust Company had access to the vaults where blank stock certificates were stored, and he used these blank certificates in his forgeries of the signatures of the registrar and transfer agent.

**ZELAYA WILL GO TO SPAIN**

Announces He Will Leave New York

[Special to The Times-Dispatch.]

New York, December 22.—Jose Santos Zelaya, former President of Nicaragua, will sail for Spain on the Lorraine on Wednesday, he announced to-night through his secretary, Joaquin Mazias.

Mazias was emphatic in asserting that Zelaya was leaving upon his own volition, and was not in accordance with an agreement reached between his counsel and the Nicaraguan government, under which he was to leave Nicaragua on the day of his arrest here Thanksgiving eve, on the charge of murdering two countrymen in Nicaragua.

Zelaya said to-night he would proceed to his estate in Spain and reside there permanently.

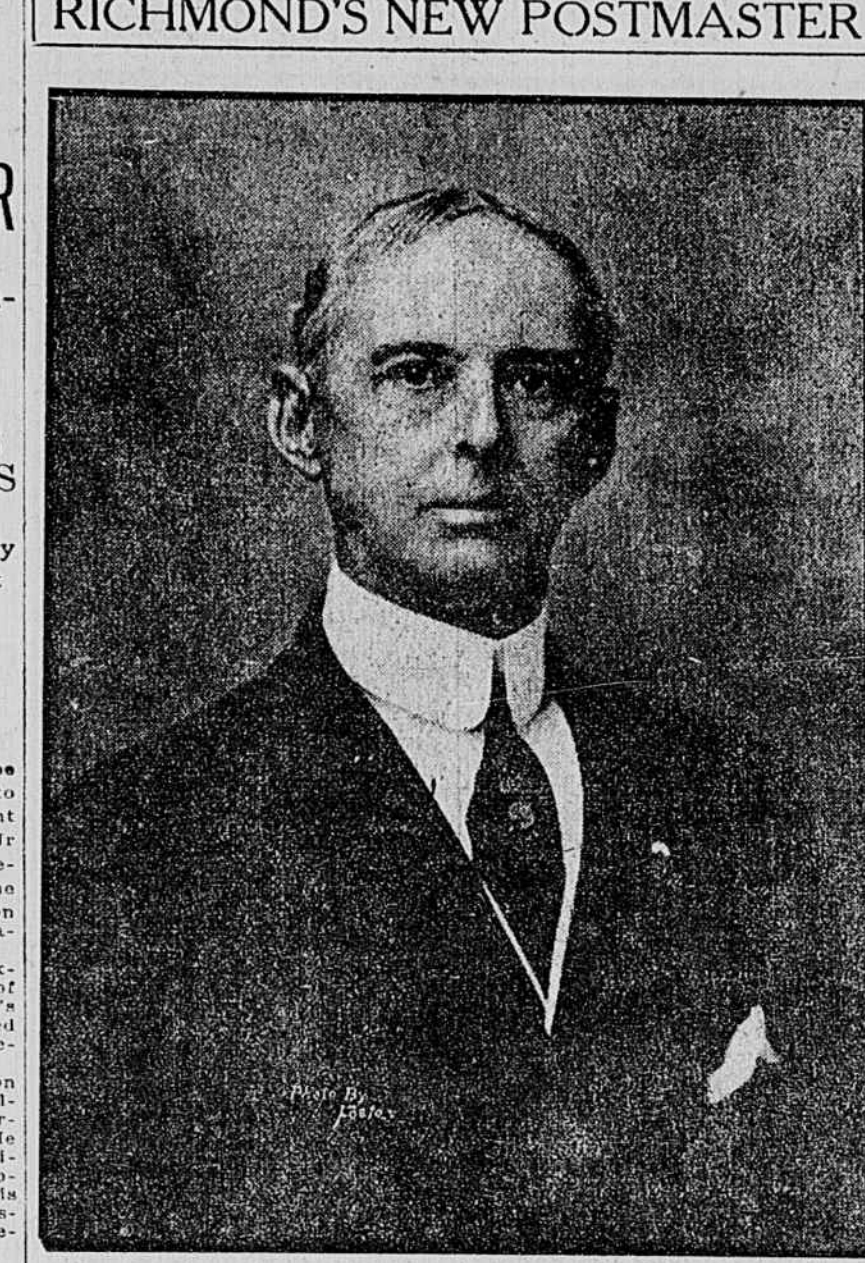
**Vanderlip Returns to New York.**

[Special to The Times-Dispatch.]

New York, December 22.—Frank A. Vanderlip, president of the National City Bank, returned to-day from an extended vacation to the West.

Mr. Vanderlip said he was thoroughly rested, and had enjoyed his trip, but refused to comment on the currency bill or business conditions as he found them in the West.

## RICHMOND'S NEW POSTMASTER



HAY T. THORNTON. Photo by Foster.

## END EXPLOITATION OF INDIAN TRIBES

WARM REPRIMAND GIVEN TO CARABACS

Commissioner Sells at Work on

Plans to Check Exist-

ing Abuses.

President Regrets Action of Of-

ficers Responsible for Pro-

gram of Evening.

AT MERCY OF DEFRAUDERS MAY AFFECT THEIR RECORDS

More Protection for Enormous

Property, Valued at

\$900,000,000.

This Question to Be Determined

by Secretaries Garrison and

Daniels To-Day.

Washington, December 22.—Exploitation of the American Indians and their \$900,000,000 of property is about to be checked through a series of plans now being worked out by Commissioner of Indian Affairs Cato Sells. Investigation of the various Indian tribes and reservations has been quietly going on for several months, with the result that in addition to the commonly known forms of abuse, many other schemes of exploitation are being uncovered.

Included within the \$900,000,000 of property owned by the Indians are 2,000,000 acres of producing oil lands, 1,000,000 acres of stumpage and timber lands, \$25,000,000 worth of live stock and the greatest area of coal lands in the United States. This enormous property has been for years the lodestone of the defrauder and exploiter.

Investigations conducted by the Indian Bureau have disclosed that there have been from 800 to 1,500 guardianship estates in each of the forty counties of Eastern Oklahoma, 85 per cent of these estates being those of Indian minors. While the average cost of administering the estates of white minors has been a per cent of the total value of the property, the average cost to Indian children has been 20 per cent of the estate.

This condition the investigation discloses, has been brought about through the appointment of guardians without regard for their qualifications and the acceptance of bondsmen without investigation.

**Protection of Estates.**

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## CURRENCY REPORT

PASSED BY HOUSE;

GOES TO SENATE

Vote There Will Be

Taken Not Later Than

2:30 P. M. To-Day.

THEN TO WILSON

FOR SIGNATURE

On Final Count, Thirty-Seven

Republicans, Twelve Progress-

ives and One Independent

Join With Democrats—Up-

per House Takes Recess

Until This Morning.

Washington, December 22.—The House passed the conference report on the administration currency bill at 10:46 o'clock to-night by a vote of 238 to 60, and sent the report to the Senate, which had waited